Fund Balance With Treasury

RECONCILIATION PROCEDURES

A Supplement to
Treasury Financial Manual
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Financial Management Service

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FUND BALANCE WITH TREASURY (FBWT) RECONCILIATION PROCEDURES

A Supplement to the TFM

I. Purpose:

The procedures defined in this document provide step-by-step instructions on reconciling FBWT. Also included is guidance on reconciling warrant and nonexpenditure transactions. These procedures pertain to Federal agencies that must report receipt and disbursement activity to Treasury.

II. Acronyms, Forms, and Online Tools:

The acronyms used throughout this document are summarized below.

A. Acronyms

ACR	Agency Confirmation Report
ALC	Agency Location Code
CFO	Chief Financial Officer
EFT	Electronic Funds Transfer
DO	Disbursing Officer/Office
CAB	Cash Analysis Branch
FBWT	Fund Balance With Treasury
FI	Financial Institution
FMS	Department of the Treasury, Financial Management Service
FRB	Federal Reserve Bank
FY	Fiscal Year
G/L	General Ledger
GOALS II	Government On-line Accounting Link System II
JV	Journal Voucher
IPAC	Intra-governmental Payments and Collections System
OMB	Office of Management and Budget
OPAC	On-Line Payment and Collection System
NTDO	Non-Treasury Disbursing Office
RFC	Regional Financial Center
USSGL	U.S. Government Standard General Ledger
SIBAC	Simplified Interagency Billing and Collection
SOA	Statement of Accountability
SOD	Statement of Differences
SOT	Statement of Transactions
STAR	FMS's Integrated Accounting System
TAS	Treasury Account Symbol
TCIS	Treasury Check Information System
TFM	Treasury Financial Manual
USDO	U.S. Disbursing Officer

B. Forms

SF 215: Deposit Ticket
SF 1081: Voucher and Schedule of Withdrawals and Credits
SF 1098: Schedule of Canceled or Undelivered Checks
SF 1151: Nonexpenditure Transfer

SF 1166: Voucher and Schedule of Payments
SF 1218: Statement of Accountability
SF 1221: Statement of Transactions
SF 5515: Debit Voucher
FMS 145: Schedule of Canceled EFT Items
FMS 224: Statement of Transactions
FMS 1185: Schedule of Unavailable Checks/Cancellations/Credits
FMS 1219: Statement of Accountability
FMS 1220: Statement of Transactions
FMS 2108: Yearend Closing Statement
FMS 5206: Advice of Check Issue Discrepancy
FMS 6200: Warrants
FMS 6652: Statement of Differences

C. Online Tools
Account Statement Inquiry: Provides TAS beginning and ending balances and net activity.
Expenditure Activity Inquiry: Provides the Available Receipt Account Report, the Unavailable Receipt Account Report, and the Unappropriated Receipt Account Report.
Account Transactions List: Provides the TAS business event activity for a selected accounting period.

III. Background:

The FBWT account is an asset account representing the future economic benefit of monies that an agency can spend for authorized transactions. The USSGL defines the FBWT as consisting of all funds on deposit with Treasury, excluding seized cash deposited, reported on the SOT, SOA, and the Yearend Closing Statement. Federal agencies use the FBWT account to record appropriation, receipt, transfer, and disbursement activity. Typical fund balance transactions involve: appropriations; accounts receivable; disbursements/deposits in transit; accrued payroll/benefits; accounts payable; miscellaneous receipts; and advances on customer orders. Agencies record this activity in the USSGL account 1010 and any related subaccounts. The fund balance is increased by a debit G/L entry. Credit G/L entries decrease the fund balance. Federal agencies must use the FBWT account to reconcile with FMS's records. This reconciliation is essential to enhancing internal controls, improving the integrity of various U.S. Government financial reports, and providing a more accurate measurement of budget results.

Federal agencies derive fund balances from different sources. At the agency level, agencies accumulate the fund balance from the numerous receipt and disbursement transactions they record in USSGL account 1010 during an accounting month. Agencies also report this activity on their SOTs and SOAs. FMS uses STAR, an accounting and reporting system that integrates data from financial institutions via CA$HLINK II, the IPAC, and the RFCs. FMS uses the information consolidated in STAR to compare agencies' reported receipts and disbursements to amounts reported by depositories using the FMS 6652. Therefore, any discrepancies between agency reports and data from banks, RFCs, and IPAC are reported on the FMS 6652. FMS also uses STAR information to generate and present monthly accounting results by fund to Federal agencies. These accounting results are presented on the GWA Account Statement.

IV. Policy:

A. Periodic Review and Evaluation

Federal agencies must reconcile their USSGL account 1010 and any related subaccounts with the GWA Account Statement on a monthly basis (at minimum). They must review those accounts each month to maintain the accuracy and reliability of their fund balance records for both prior- and current-year appropriations. Agencies must reconcile no-year, revolving, deposit, and trust fund accounts. They also must reconcile clearing and receipt accounts. This detailed reconciliation assures that agency data accumulated in the fund balance account is accurate. It also allows the agency to resolve differences in a timely manner. When resolving differences, agencies should maintain detailed reconciliation worksheets (see Appendix 1) that, if needed, can be reviewed by the agency's auditors or Treasury.

B. Differences

Federal agencies must research and resolve differences reported on the monthly FMS 6652. They also must resolve all differences between the balances reported on their G/L FBWT accounts and balances reported on the GWA Account Statement. FMS notifies agencies of their deposit and disbursement differences on an FMS 6652. CAB sends agencies' CFOs a scorecard letter that provides a certain rating (scoring) on the accuracy and timeliness of an agency's reconciling efforts should an agency have differences older than 3 months.

C. Adjustments

An agency may not arbitrarily adjust its FBWT account. Only after clearly establishing the causes of errors and properly documenting those errors should an agency adjust its FBWT account balance. If an agency must make material adjustments, the agency must maintain supporting documentation. This will allow correct interpretation of the error and its corresponding adjustment.

D. Financial Management System Responsibilities

Reconciliation and related verifications ensure and demonstrate the integrity of the accounting system. These functions are necessary for a well-regulated system. To increase the efficiency of reconciling the fund balance, each agency's system should perform the following:

- Each financial system's policies and documented procedures should provide for regular and routine reconciliation of G/L accounts, thorough investigation of differences, determination of specific causes of differences, and initiation of corrective action. This includes having the ability to schedule coordinated cutoffs and to systematically produce a trial balance of the G/L. These activities must be scheduled and conducted to facilitate rather than impede the reconciliation process.

- Also, the accounting system should be capable of producing subsidiary reports that provide a detailed history of receipt and disbursement activity recorded by fund during the month. The subsidiary report balances should agree with the G/L.

- Processing controls and error checks should be programmed into the automated system, to the extent feasible. This provides the maximum assurance that data recorded in the fund balance account is accurate.

- Federal agencies' financial management systems should satisfy the directives promulgated by the Joint Financial Management Improvement Program, Core Financial System Requirements; the Chief Financial Officers Act of 1990; the Government Management Reform Act of 1994; OMB Circular No. A-127, Financial Management Systems; OMB Circular No. A-123, Management Accountability and Control; the Federal Managers' Financial Integrity Act; and the TFM. These regulations provide guidance on the development and maintenance of agency accounting systems to ensure each system, in addition to meeting the specific needs of the agency, consistently provides compatible data required by Treasury, Congress, OMB, and other regulatory agencies.

E. Internal Controls

Trained and knowledgeable staff should review all receipt and disbursement transactions before recording the transaction into the financial system or reporting the activity on the SOTs. This includes verifying that the arithmetic is correct and data elements are properly classified (the fund account symbol). In addition, authorized officials should approve any adjustments to the fund balance. These controls help to attain a high degree of accuracy in reporting.

V. Fund Account Symbols:

Agencies must identify each receipt or disbursement accounting transaction with the appropriate Treasury fund account symbol. Fund account symbols are used for internal and external reporting purposes. The symbol consists of a series of digits that range from 6 (XX XXXX) to 15 [(XX) XX-XX X/X XXXX (XXX)] characters in length for standard string format and up to 23 characters in the standard component format. Refer to Treasury's FAST Book for specific information about fund account symbols. In general, the fund account symbol indicates the department to which funds were appropriated, the fiscal year(s) during which the appropriation is available for obligation, and the basic fund group and numerical identification of the appropriation. Fund symbols that are 13 digits in length with two-digit prefixes (XX) represent the subclassification prefix. The prefix denotes the agency to which the funds are transferred. The basic fund groups are categorized as follows:

Fund Group	Identification	
	From	**To**
Receipt account symbols		
• General funds	0000	3899
• Special funds	5000	5999
• Trust funds	8000	8999
Expenditure account symbols		
• General funds	0000	3799
• Clearing accounts	3800	3899
• Consolidated working funds	3900	3999
• Revolving funds	4000	4499
• Working capital funds	4500	4999
• Special funds	5000	5999
• Deposit funds	6000	6999
• Trust funds	8000	8999

Reference the complete fund account symbols on accounting documents. Each agency's accounting system must, by law, report and classify funds appropriated or authorized by Congress within the above budgetary classifications. The Fund Balance Reconciliation (Section VII) issues guidance on how to reconcile discrepancies in fund reporting between the G/L and the GWA Account Statement.

VI. Agency Location Code (ALC):

The ALC is a unique numeric symbol used as an identifier in financial reports and documents prepared by or for agencies and DOs. The ALC contains eight, four, or three digits. An eight-digit ALC (XX-XX-XXXX) identifies the reporting and accounting sources. The first two characters of the eight-digit code identify the department or agency. The third and fourth digits represent the bureau within the department or agency. The remaining four digits identify the accounting station within the bureau. The four-digit ALC (00-00-XXXX) is the NTDO symbol. Treasury establishes and approves each ALC.

VII. Fund Balance Reconciliation:

Agencies must perform fund balance reconciliation for each Treasury fund account symbol. **Any reports or documents they use to reconcile must reflect an identical accounting month and fund account symbol.** If an agency's G/L Chart of Accounts includes subaccounts for the USSGL account 1010, agencies must include subaccount balances in the summary USSGL account total.

A. Documentation Used for Reconciliation

The basic records used to report collection and disbursement activity are derived from source documents that evidence a transaction. These documents serve as the official means of reference to reconcile the FBWT account. Federal agencies may use the source documents identified below in paragraph 1. The documents FMS uses to compare fund balance activity are identified in the listing in paragraph 2.

1. Agency Source Documents

Federal agencies may internally develop and use various documents to track, record, and report financial events. They should record only those documents that comply with statutory requirements. Agencies should use the following sources, currently used throughout the Federal Government, to report on the status of receipts or disbursements:

- Letters of credit.
- SF 1166.
- SF 1081.
- SF 1098.
- SF 1151.
- SF 215.
- SF 5515.
- FMS 145.
- FMS 1185.
- FMS 6200.
- IPAC (in lieu of the SF 1081).

Agencies generally use the trial balance to obtain the USSGL account 1010 balances. The trial balance should reveal, at a minimum, the following information by fund account symbol for easier reconciliation:

- Balance forwarded from previous month.
- Current month debits/credits (based on increases and decreases to the account).
- Ending fund balance (the difference between the balance forwarded and the net current-month activity).

2. Treasury Reports

FMS provides the FMS 6652 report and Treasury account balances to Federal agencies monthly on line. These reports capture data recorded on agencies' SOT and SOA reports and data entered into STAR. Agencies should use these reports to reconcile their FBWT account. The reconciliation helps to validate that reliable data is reported, identify and correct errors with agencies' records, and determine any discrepancies reported by FMS. Agencies should notify FMS of any discrepancies.

a. FMS 224: Statement of Transactions

The FMS 224 is the central accounting document used *only* by eight-digit ALCs to report their monthly accounting activity to Treasury. The FMS 224 provides Treasury with information on agency deposits and disbursements. The report captures data by appropriation, fund, and receipt accounts.

Agencies for which Treasury disburses must prepare and submit the FMS 224 via the GWA Modernization Project application, and FMS must receive it by the third workday of the current month to be considered on time. A separate FMS 224 must be furnished for each eight-digit ALC. The FMS 224 may contain adjustments for the prior-month's accounting activity or may reflect no activity for the month, if applicable. Agencies can submit additional information via a supplemental FMS 224 by the sixth workday of the current month. For scoring purposes, FMS considers Supplemental FMS 224s received after the third workday as late. FMS uses the Supplemental FMS 224 to capture financial activity not reported on the original FMS 224 or to adjust information reported on the original FMS 224.

FMS relies on the totals reported on the FMS 224 to identify differences between Federal agencies′ records and Treasury control totals reported by financial institutions. The total in Section II, line 1, identifies the net disbursements recorded by an agency. It is separated into current- and prior-month amounts. The amount on this line is compared to Treasury disbursement control totals. The total in Section III, line 3, identifies an agency's collection and deposit activity. It includes total collections for the current and prior months. Information on this line is compared to Treasury deposit control totals.

b. SF 1218/SF 1221: Statement of Accountability/Transactions

Treasury uses the SF 1218 to determine the accountability of foreign disbursing officers (USDOs) for funds held outside Treasury. SF 1218 reflects accountability transactions reported under the four-digit ALC. Agencies must submit an SF 1218 whenever they submit an SF 1221.

The SF 1221 is prepared by USDOs who collect and/or disburse foreign currency. In this report, the information is classified by appropriation, fund, and receipt accounts. The SF 1221 supports the SF 1218 and provides Treasury with a monthly statement of payments and collections made by USDOs. The SF 1218 and SF 1221 reports are due to Treasury by the seventh workday following the close of an accounting month.

c. FMS 1219/FMS 1220: Statement of Accountability/Transactions

Domestic DOs and other agencies with disbursing authority submit a monthly FMS 1219 and FMS 1220 to Treasury. Treasury uses the reports to summarize collection and disbursement activity for the month. This includes all EFT payments, prepared checks, or other disbursements. FMS 1219 provides detailed information about DO collections and disbursements. Section I of the FMS 1219 discloses changes to the DO's accountability. These changes are based on increases and decreases to fund balances. Section II provides details of disbursement and deposit activity as well as prior-period adjustments. FMS 1220 is similar to the FMS 224. It also provides Treasury with information related to an agency's disbursement and collection activity. Agencies report the disbursement and collection data by appropriation, fund, and receipt accounts. Agencies must submit FMS 1219 and FMS 1220 to Treasury by the third workday following the close of the accounting month.

d. Reconciliation of Checks Issued

FMS performs a two-step reconciliation of checks issued by RFCs and NTDOs. First, FMS compares item for item each check issued to the amount paid by the FRBs, as presented through financial institutions. Second, FMS compares SOAs, FMS 1219s, or SF 1218s (line 2.10), to the detail of checks issued to assure all checks issued have been recorded as charges against appropriation or fund account symbols.

At the close of each week and month, DOs submit to FMS a Level 8 magnetic tape (or electronic file transmission) that details by check symbol, serial number, and amount all checks issued during the period (refer to TFM Volume I, Part 4, Chapter 6500, for specific reporting requirements). Daily, FRB check-processing offices submit to FMS an electronic file that details by check symbol, serial number, and amount all checks paid that business day. The Level 8 check data and the FRB paid data are entered into TCIS. Items that match exactly are reconciled and placed in archive. For items that do not match exactly, FMS reviews an image of the check to determine if a forgery has been paid or if the issue data was erroneous. Where forgery has occurred, FMS reclaims the payment amount from the financial institution. When the issue record is at fault, FMS issues the DO an FMS 5206. The DO must review each FMS 5206, determine the reason for the error, record an appropriate adjustment, and report such adjustments on the next FMS 1219 or SF 1218.

Monthly, each DO prepares and submits to FMS their FMS 1219 or SF 1218. Line 2.10 summarizes the Level 8 detail check data submitted, net of FMS 5206 adjustments processed and other DO-identified adjustments. FMS compares FMS 1219/SF 1218 reporting to check-issue data, FMS 5206 adjustments, and DO-requested adjustments entered into TCIS. FMS notifies the DO by letter of discrepancies detected in this comparison. The DO must review the letter and determine the appropriate action needed to bring the TCIS reporting and the FMS 1219/SF 1218 reporting into agreement (see Section VII, Part 3, Exhibit 3E).

e. FMS 6652: Statement of Differences

FMS provides FMS 6652s to Federal agencies for both disbursements and deposits. An FMS 6652 is generated for each ALC by accounting month and accomplished month if there is a discrepancy. The accounting month is the month the report is generated. The accomplished month is the month the difference occurred. Differences resulting from deposits indicate there is a discrepancy between the monthly totals submitted through the banking system via SF 215s/SF 5515s and the totals provided by the agency on the FMS 224 (Section III, line 3) or FMS 1219 (Section I, line 4.2). Treasury can remove deposit differences of less than $50 that are more than 6 months old to a small-difference account upon agency approval. The SOD for Disbursement transactions reveal discrepancies between monthly totals reported by the RFCs and/or through IPAC transactions between agencies and totals in agency reports on the FMS 224 (Section II, line 1) or FMS 1219 (line 2.80). As stated in Section V, agencies must research and resolve *all* differences. Differences that are not cleared during the next accounting month are carried forward to subsequent months until cleared. Agencies should report clearly supported corrective entries on the subsequent month’s SOT/SOA.

Federal agencies should compare the items reported on their internal deposit listing or collection schedules to the monthly deposit ticket/debit voucher support listing received via GOALS II or CA$HLINK II to reconcile deposit differences. An agency can reconcile disbursement differences by comparing the transactions reported on the support listings for disbursement transactions to the agency’s internal subsidiary report or control ledger of disbursement activity and/or individual disbursement source documents. The disbursement support listings generated from GOALS II include IPAC transactions. The disbursement support listings generated from the GWA System include the TDO Payments (agency) confirmation report.

f. FMS 2108: Yearend Closing Statement

FMS 2108 reports the fund balance for each expenditure account symbol that has a balance and/or activity for the fiscal year. The FMS 2108 also reports the amount of receivables, unfilled customer orders, unobligated balances, and unpaid obligations. Beginning fiscal 2013, Federal agencies will submit the FMS 2108 data to FMS using the Governmentwide Treasury Account Symbol Adjusted Trial Balance System (GTAS).

3. Treasury's Online Tools

The GWA Account Statement provides TAS balances and activity for all active Treasury accounts. In order for agencies to reconcile their FBWT, they need access to this utility. Enrollment is simple; there is an online user guide that provides detailed explanations and instructions of all functions. To obtain an account balance, the user creates queries based on search criteria conditions established by the user profile. User profiles are unique depending on how a user profile was created at the time of enrollment. Three application-designed queries provide the beginning balance, ending balance, and account activity for a user-selected time period. This time period can be for the current reporting month or for cumulative months starting from the beginning of the fiscal year.

a. Account Summary Inquiry

This query provides a listing of the beginning balance, net activity, and ending balance for a group of TAS selected from the queries search criteria screen. The first column is an indicator that alerts the user to whether there was activity for an account during the selected reporting period. A checkmark indicates activity was reported during the period and the user can create the Expenditure Activity query for those selected Treasury accounts.

b. Expenditure Activity

The following activity types are reported by column for all Treasury accounts having activity during the selected search criteria period:

- Treasury Account Symbol
- Account Type
- Beginning Balance
- Authority
- Transfers
- Gross Disbursements
- Offsetting Collections
- Ending Balance
- Activity for Period

A check mark in the "Activity for Period" column indicates that the user can create the Account Transaction List query.

c. Account Transaction List

This query provides the following details on the transactions selected under the Expenditure Activity query.

- Business Event Type
- Accounting Period
- Posting Date
- Increase to Balance
- Decrease to Balance
- ALC

To see transaction details, click on the "View Detail" link. This page provides descriptions and explanations of both the transaction and the TAS.

B. Step-By-Step Reconciliation Process

The steps used to perform fund balance reconciliation are presented in Exhibits 1A through 4A. Each exhibit uses three column headings: “Exhibit Step,” “Action,” and “Required Documents.” The “Exhibit Step” column numbers the actions that the agency must accomplish to complete the reconciliation. The “Action” column describes each step in terms of the specific processes the agency needs to perform to accomplish the reconciliation. This column gives examples of common discrepancies and details corrections the agency must make to its SOT/SOA and/or the G/L. The “Action” column also describes common reconciliation worksheet annotations. The final column titled “Required Documents” lists the reports an agency uses to perform the actions/reconciliations.

This section provides step-by-step procedures for reconciling the agency FBWT accounts to the GWA Account Statement. The following procedures also apply to reconciling the GWA Account Statement (when there is no monthly activity for an expenditure account symbol), as well as the FMS 224, SF 1218/SF 1221, and FMS 1219/FMS 1220 reports. The procedures are in how-to exhibit formats. As a quick reference, the exhibits provide step-by-step directions for the following:

1. Comparing the GWA Account Statement and General Ledger Totals
   - Exhibit 1A—How To Compare GWA Account Statement and General Ledger Totals.
   - Exhibit 1B—How To Identify Differences in GWA Account Statement and General Ledger Entries Reported by the Agency.
   - Exhibit 1C—How To Identify Differences in GWA Account Statement and General Ledger Entries Reported by Another Agency.
   - Exhibit 1D—How To Determine the Month-End Unreconciled Balance.
2. Identifying Prior-Month Differences
   - Exhibit 2A—How To Identify Prior-month Differences.
3. Reconciling Statements of Differences
   - Exhibit 3A—How To Reconcile Statement of Differences for Disbursements.
   - Exhibit 3B—How To Use Worksheet 1B: Statement of Differences for Disbursements.
   - Exhibit 3C—How To Reconcile the Statement of Differences for Deposits.
   - Exhibit 3D—How To Use Worksheet 1C: Statement of Differences for Deposits.
   - Exhibit 3E—How To Reconcile Check Issue Audits Using FMS 5206.
4. Researching Uncleared Differences
   - Exhibit 4A—How To Research Uncleared Differences.

1. Comparing the GWA Account Statement and General Ledger Totals

This section provides detailed instructions on reconciling the GWA Account Statement to the USSGL account 1010. Exhibit 1 provides guidance on comparing the GWA Account Statement and USSGL account 1010 balances. Exhibit 2 issues directives on identifying entries reported by the reconciling agency. Exhibit 3 provides instructions on identifying transactions reported by other Federal agencies. Exhibit 4 provides guidance on determining the residual unreconciled balance.

Exhibit 1A–How To Compare the GWA Account Statement and General Ledger Totals

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E1A-1	Determine if the USSGL ending balance and the GWA Account Statement's closing balance are equal. Compare the balances for the same accounting month and fund account symbol. The agency's trial balance report should disclose the USSGL account 1010 balance. If the USSGL has subaccounts for USSGL account 1010, combine these amounts to obtain the ending balance. **If the USSGL and the GWA Account Statement are not equal, proceed to E1A-2.**	X Trial balance X GWA Account Statement
E1A-2	Using the GWA Account Statement, record the reconciling month's ending balance on Worksheet 1A, in column D (see Appendix 1). Obtain the ending balance from the GWA Account Statement Expenditure Activity query. When selecting the search criteria for the Expenditure Activity Inquiry, the Balance Display selection should be "Accounting," which is the prepublished account balance.	X Account Statement X Worksheet 1A
E1A-3	Using the trial balance, record the reconciling month's ending balance for USSGL account 1010 on Worksheet 1A, in column E. If it is the beginning of the fiscal year and a balance is carried forward from the prior year, record instead the prior-year's ending balance in column E. This balance is reported as the balance forward. Only record the balance forward at the beginning of the fiscal year. The balance forward is the previous fiscal year's ending balance.	X Worksheet 1A X Trial balance
E1A-4	Verify that the net difference between the GWA Account Statement balance (column D) and the USSGL balance (column E) is reflected on Worksheet 1A, in column F. If not, record the net difference or input the necessary formula on the worksheet to obtain the net difference. If the spreadsheet is created in Microsoft Excel or Lotus, a basic formula to derive the net difference is @sum (indicate the column and the row in which the Account Statement's balance is reported) minus (-) @sum (indicate the column and the row in which the USSGL balance is reported). This formula should be copied to each row. **Note: The GWA Account Statement and USSGL entries netted should be reported on the identical row.**	X Worksheet 1A

Exhibit 1B–How To Identify Differences in the GWA Account Statement and General Ledger Entries Reported by the Agency

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E1B-1	Verify the transactions reported by the agency on the GWA Account Statement by using the FMS 224, FMS 1219/FMS 1220 and/or SF 1218/SF 1221 source documents, disbursement/receipt transaction logs, or an automated report of source documents that were posted (or should have been posted) to the G/L during the month being reconciled.	X GWA Account Statement X Source documents X Transaction logs
E1B-2	If a valid disbursement or receipt is posted in the USSGL but is not reported on the GWA Account Statement, record the document total on Worksheet 1A, in column D (see Appendix 1). Refer to Worksheet 1A to determine how to record the GWA Account Statement balance forward. Record any previous month's disbursement, not reported, in Section II of the next FMS 224/FMS 1219 or SF 1218 as a prior-month adjustment. Also, record (classify) the disbursement in Section I of the next FMS 224 or FMS 1220/SF 1221. Report prior-month adjustments for disbursements on the FMS 224 (Section II, line 1) or SF 1218/FMS 1219 [line(s) 2.10, 2.11, 2.12, or 2.80]. Report prior-month adjustments for receipts on the FMS 224 (Section III, line 3) or FMS 1219 (Section I, Part A, line 4.20).	X GWA Account Statement X Source documents X FMS 224 X SF 1218 X FMS 1219 X FMS 1220 X SF 1221 X Trial balance
E1B-3	If a receipt or disbursement is reported on the FMS 224/FMS 1220/SF 1221 and is reflected on the GWA Account Statement but is not posted to the USSGL, obtain a copy of the document and record the document total on Worksheet 1A, in column E. Refer to Worksheet 1A to determine how to record the GWA Account Statement's balance forward. Also, record the valid disbursement or deposit transaction in the USSGL when the document is received.	X GWA Account Statement X Source documents X Trial balance
E1B-4	If the agency erroneously posts a receipt or disbursement to the USSGL, record the document total on Worksheet 1A, in column E. Refer to Worksheet 1A to determine how to record the GWA Account Statement balance forward. Also, reverse the entry in the G/L. Use a JV to document the USSGL reversal. An approving official must sign the JV.	X Source documents X Trial balance X GWA Account Statement X JV
E1B-5	If the agency erroneously reports a receipt or disbursement on the GWA Account Statement via the FMS 224, FMS 1219/FMS 1220, or SF 1218/SF 1221, record the entry in column D. Refer to Worksheet 1A to determine how to record the GWA Account Statement balance forward. Adjust the entry reported on the next FMS 224. Reverse any erroneous disbursement in the FMS 224 (Section II) or FMS 1219 and SF 1218 (line 2.80) as a prior-month adjustment. Also reclassify the transaction in the next FMS 224 (Section I) or FMS 1220 and SF 1221. Reverse any erroneous deposit in the FMS 224 (Section III) or SF 1218 and FMS 1219 (line 4.20).	X Source documents X GWA Account Statement X FMS 224 X FMS 1219/ FMS 1220 X SF 1218/ SF 1221

Exhibit 1C–How To Identify Differences in the GWA Account Statement and General Ledger Entries Reported by Another Agency

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
	Typical entries reported by other agencies include the appropriation warrant, nonexpenditure transfer, and Thrift Savings Plan (TSP) transactions. Entries reported by other Federal agencies are distinguished by an ALC different from the reconciling agency.	
E1C-1	Verify the amount reported on the GWA Account Statement as a current-year appropriation by comparing this amount to the amount reported in the G/L for the appropriation warrant, as well as the amount reported as available receipts. If the amounts differ, obtain a copy of the Treasury warrant to determine the correct amount and/or see Exhibit 3A for deposits in reconciling the available receipt amount. Sample Letter 2 shown in Appendix 4 can be used to request the document. X If the amount is incorrectly recorded in the USSGL, record the USSGL difference (between the amount recorded and amount of the actual warrant) on Worksheet 1A, in column E (see Appendix 1). Refer to Worksheet 1A to determine how to record the GWA Account Statement balance forward. Also, increase or decrease the USSGL total to equal the amount disclosed on the warrant. Use a JV to document the USSGL entry. An approving official must sign the JV. X If the amount shown in the GWA Account Statement is incorrect, record the difference (between the amount reported and the amount of the actual warrant) on Worksheet 1A, in column D. Also, request that Treasury's Finance Management Branch adjust the entry reported on the GWA Account Statement. Sample Letter 1 shown in Appendix 4 can be used to request the adjustment.	X GWA Account Statement X Trial balance X Warrant X JV X Letter 2
E1C-2	Compare the nonexpenditure transaction amount reported in the GWA Account Statement and in the G/L. The agency should have a copy of the SF 1151 to verify the amount reported. Otherwise, obtain a copy of the document from the reporting agency. Sample Letter 2 shown in Appendix 4 can be used to request the document. X If the amount is incorrectly recorded in the USSGL, record the difference (between the amount reported and the SF 1151 amount) on Worksheet 1A, in column E. Also, increase or decrease the USSGL total based on the amount disclosed on the SF 1151. Use a JV to document the USSGL entry. An approving official must sign the JV. X If the amount shown in the GWA Account Statement is incorrect, record the difference (between the amount reported and the SF 1151) on Worksheet 1A, in column D. Refer to Worksheet 1A to determine how to record the GWA Account Statement balance forward. Also, notify the Cash Accounting Division to adjust the entry reported on the GWA Account Statement. Sample Letter 1 shown in Appendix 4 can be used to request the adjustment.	X SF 1151 X Trial balance X GWA Account Statement X JV X Letter 2

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E1C-3	Compare the TSP amount reported by the National Finance Center (NFC) to the TSP amount reported in the USSGL for the month. X If the amount is incorrectly reported in the USSGL, record the difference (between the amount reported and the NFC report) on Worksheet 1A, in column E. Also, increase or decrease the USSGL total to equal the amount disclosed on the payroll report. Use a JV to document the USSGL entry. An approving official must sign the JV. X If the amount shown on the GWA Account Statement is incorrect, record the difference (between the amount reported and the NFC report) on Worksheet 1A, in column D. Refer to Worksheet 1A to determine how to record the GWA Account Statement balance forward. Also, notify the TSP Division to adjust the entry reported on the Account Statement. Sample Letter 1 shown in Appendix 4 can be used to request the adjustment.	X NFC TSP monthly report X GWA Account Statement X Trial balance X Letter 1
E1C-5	If any other transaction reflected on the GWA Account Statement is incorrect, as reported by another agency via the FMS 224, SF 1218/SF 1221, or FMS 1219/FMS 1220, contact the agency to request a reversal of the transaction. Send a formal letter signed by an approving official to the agency requesting the reversal. Sample Letter 1 shown in Appendix 4 can be used to request the adjustment. Follow-up with the agency to ensure the correction is made. Record the difference on Worksheet 1A, in column D.	X GWA Account Statement X Worksheet 1A X Letter 1
E1C-6	If the amount reflected on the GWA Account Statement as reported by another agency is correct but is not posted in the G/L, contact the agency to request the source documentation to verify the entry. Sample Letter 2 shown in Appendix 4 can be used to request documentation. X Record the transaction on Worksheet 1A, in column E. When the document is received, record its corresponding G/L entry. **Note: Follow-up with the agency to ensure receipt of the document(s).**	X GWA Account Statement X Worksheet 1A X Trial balance X Source documents X Letter 2

Exhibit 1D–How To Determine the Monthend Unreconciled Balance

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
	Exhibits 1A through 1C explain how to identify and reconcile differences. Based on the reconciliation there may be an unreconciled amount. Exhibit 1D explains how to determine the unreconciled difference. Record unreconciled balances on Worksheet 1A, in column G (see Appendix 1).	
E1D-1	Determine if the net difference amount is reported on Worksheet for each row. If not, follow the guidance provided in E1A-4 to calculate the net difference.	X Worksheet 1A
E1D-2	Compute the cumulative difference balance on Worksheet 1A. The total is derived by adding the current column/row net difference amounts to the previous cumulative difference amount. The final cumulative difference for the month is the remaining unreconciled amount, and it will become a prior-month difference during the next month's reconciliation. Verify the cumulative difference by subtracting the ending USSGL balance(s) for the fund from the closing balance on the GWA Account Statement.	X Worksheet 1A
E1D-3	The difference between the amount reported on the GWA Account Statement and G/L should equal the total of all uncleared differences. If not, perform another review to ensure that all *cleared* differences are canceled in the same amount. Also, verify both the net difference and cumulative difference calculations.	X Worksheet 1A
E1D-4	After completing the reconciliation for the month, give Worksheet 1A to an approving official for signature/review. It is helpful to attach a memorandum that details the results of the current-month's reconciliation. Sample Memo 1 shown in Appendix 4 can be used for this purpose.	X Worksheet 1A X Memo 1

2. Identifying Prior-Month Differences

Prior-month differences are uncleared items carried over from previous months.

Exhibit 2A How To Identify Prior-Month Differences

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E2A	Federal agencies should adhere to the following when reconciling prior-month items: Y When any prior-month difference is identified and substantiated, properly adjust the G/L or SOTs/SOAs to clear the difference. Y If any of the reconciling items identified in the monthly reconciliation process detailed in Exhibits 2 and 3 offset any previous months' differences, mark both the previous-month's reconciling item and the current-month's reconciling item as cleared. Y Annotate the month and year (00/00) the item cleared on Worksheet 1A, in column C. Ξ **Do not** permit prior-month differences to remain outstanding for more than 3 months. Disclose any differences more than 3 months old separately and explain them on the GWA Account Statement worksheet.	Worksheet 1A

3. Reconciling the Statements of Differences

This section provides guidance on reconciling the SOD for Disbursements and Deposits. The disbursement reconciliation is outlined in Exhibit 3A. Exhibit 3C provides guidance on how to reconcile deposit differences. Refer to FMS 6652 (Section VII, Part 2, paragraph e.) for specific information about the report.

Exhibit 3A—How To Reconcile the Statement of Differences for Disbursements

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E3A-1	Access GOALS II to determine if an SOD for Disbursements has been generated.	X SOD
E3A-2	If the disbursement amount is out of balance, then an SOD for Disbursements has been generated. Use the IPAC report generated from GOALS II and the Agency Confirmation Reports (ACR) generated from the GWA System TDO payments application to research disbursement differences. First, verify that the total SF 1166 amount reported on the FMS 224 matches the total of the agencies' SF 1166 listing. If these amounts agree, begin the disbursement SOD reconciliation match and check off the following line items on the SOT: X This month's SF 1166 schedules listed against positive entries on the ACR. The ACR lists all SF 1166 items Treasury control records indicate were disbursed for the month. X This month's canceled check items against negative (minus) entries on the ACR.	X ACR
E3A-3	Compare the SF 1166 schedule number and amount to the ACR list.	X ACR X SF 1166
E3A-4	If the schedule number is on the list, check the item on the ACR.	X ACR X SF 1166
E3A-5	Annotate the payment date on the SF 1166.	X SF 1166
E3A-6	If the ACR does not list the SF 1166: X File the schedule in the next month's folder. X The ACR report for the next month should include the schedule.	X Reconciliation folder
E3A-7	If the ACR lists an SF 1166 that is not reported on the FMS 224: X Note the number of the unreported schedule. X Research the agency's disbursement files to retrieve the unreported SF 1166. X **Adjustment**: Report the unreported SF 1166 as a prior-month item on the SOT (Sections I and II). X Verify that the amount is accurately reported in the G/L; if not, make the necessary adjustment to the G/L. X If the ACR lists an SF 1166 that was reported on the FMS 224 but classified in the incorrect fund symbol, then reclassify the SF 1166 to the correct fund symbol (in Section I only) of the next FMS 224.	X FMS 224 X SF 1218/ SF 1221 X FMS 1219/ FMS 1220 X ACR X G/L
	Identify the amounts of canceled checks.	X ACR

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E3A-8	X Each cancellation schedule Treasury completes during the report month shows as a negative (minus) entry on the ACR report. X Match each cancellation item with the agency's cancellation source document (SF 1098, FMS 145, or FMS 1185).	X SF 1098 X FMS 145 X FMS 1185
E3A-9	If the ACR lists a cancellation not reported on the FMS 224: X Note the number of the unreported cancellation. X Research the cancellation and identify the source document. X **Adjustment:** Report the cancellation as a prior-month item on the SOT (Sections I and II). X Verify that the amount is accurately recorded in the G/L; if not, make the necessary adjustment to the G/L.	X FMS 224 X SF 1218/ SF 1221 X FMS 1219/ FMS 1220 X SF 1098 X SF 1185 X G/L
E3A-10	Retrieve from GOALS the Monthly Register of Transactions, IPAC Transactions.	X IPAC report
E3A-11	Compare the IPAC payment transactions to those reported on the FMS 224, SF 1218/SF 1221, or FMS 1219/FMS 1220.	X IPAC report X FMS 224 X SF 1218/ SF 1221 X FMS 1219/ FMS 1220
E3A-12	If the IPAC report lists an IPAC transaction that was not reported on the FMS 224, SF 1218, or FMS 1219: X Annotate the number of the unreported IPAC. X Research the unreported IPAC. X Verify that the support documentation has been provided to the agency. If the agency does not have the support documentation, contact the billing agency to request that the documentation be submitted. Sample Letter 2 shown in Appendix 4 can be used to request the documentation. X **Adjustment**: When the support documentation is received, include the unreported IPAC transaction as a prior-month item in the next month's FMS 224 (Section II) or SF 1218 and FMS 1219 (line 2.80). Also, record (classify) the amount in the FMS 224 (Section I) or FMS 1220 and SF 1221. X Verify that the amount is accurately recorded in the G/L; if not, make the necessary adjustment to the G/L.	X IPAC report X FMS 224 X SF 1218 X FMS 1219 X G/L X Letter 2
E3A-13	If the IPAC report lists an IPAC transaction that should not be reported to the agency's ALC: X Inform the billing agency that the charge is incorrect. X Chargeback the amount to the agency that originated the IPAC.	X GOALS II IPAC

Exhibit 3B—How To Use Worksheet 1B: Statement of Differences for Disbursements

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E3B-1	The reconciliation performed in Exhibit 3A involves SOD items. Therefore, obtain a blank copy of Worksheet 1B, Part 1: Proposed Adjustments to Resolve the Statements of Differences for Disbursements, and Part 2: Statement of Differences for Disbursements Reconciliation. Both worksheets are provided in Appendix 1. In addition, retrieve a copy of the reconciling month's SOD from GOALS II.	X Worksheet 1B, Parts 1 and 2
E 3B-2	• Using Worksheet 1B, Part 1, list the documents that the agency reported in the column designated "Increase." Refer to Worksheet 1B, Part 1, to determine how to record this transaction. The entries recorded as increases are transactions reported by Treasury on the IPAC and/or ACR report that have not yet been reported by the agency and/or are items in which an incorrect amount was initially reported. This amount must be increased to reflect the accurate value. Provide reconciliation explanations in the column designated for "Explanation." • Using Worksheet 1B, Part 2, record the items annotated above as increases in the columns designated for "Treasury Doc #" and "Treasury Amount." The "Treasury Doc #" is the schedule/IPAC number shown on the Treasury reports. The "Treasury Amount" is the dollar value associated with the document. Refer to Worksheet 1B, Part 2, to determine how to record this transaction.	X Worksheet 1B, Parts 1 and 2
E 3B-3	• Using Worksheet 1B, Part 1, record disbursements that Treasury did not report on the IPAC and/or ACR report but that the agency reported as decreases. Other decreases include transactions that require downward adjustments because they were initially recorded for erroneous amounts. Record any reconciliation explanations in the column designated for "Explanation." Refer to Worksheet 1B, Part 1, to determine how to record this transaction. Using Worksheet 1B, Part 2, record items that the agency reported but that Treasury did not report on the IPAC and/or ACR reports. Report these items on Worksheet 1B, Part 2, in the columns designated for "Agency Ref #" and "Agency Amount." The "Agency Ref #" is the Federal agency's source document number. The "Agency Amount" is the dollar value associated with the document. Refer to Worksheet 1B, Part 2, to determine how to record this transaction.	X Worksheet 1B, Parts 1 and 2
E 3B-4	Complete Worksheet 1B, Part 2, by providing the additional information requested on the worksheet.	X Worksheet 1B, Part 2

Exhibit 3C–How To Reconcile the Statement of Differences for Deposits

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E3C-1	Print the monthly deposit ticket/debit voucher support listing (DT/DV) from GOALS II. In addition, obtain a copy of Treasury's CA$HLINK II receipt support query. Both reports usually have the same data, except in the case of timing differences.	X DT/DV X CA$HLINKII query
E3C-2	• Compare the agency list of DTs/DVs to the amount reported on the FMS 224. • Reconcile each SF 215 reported on the FMS 224 or FMS 1219/SF 1218 to a positive item on the DT/DV. Reconcile CA$HLINK II transactions to agency related source documents. CA$HLINK II transactions include: ACH lockbox, ASAP, credit card, Commodity Credit Corporation, EFT payments, Fedwire, Farmers Home Administration, FRB, FEDTAX II, lockbox, STAR transactions, and domestic and international Treasury General Account (TGA).	X DT/DV X CA$HLINKII X SF 215 X Source documents
E3C-3	If an SF 215 is not reported on the DT/DV: X Review uncleared items from previous months to determine if the SF 215 clears a prior-month difference. If so, adjust the amount between months and mark as cleared from the prior SOD. X Verify that the amount is accurately reported in the G/L; if not, make the necessary adjustment to the G/L.	X DT/DV X G/L
E3C-4	File unreported SF 215s (any reported by the agency but not by Treasury) for the next month's FMS 224 or FMS 1219. The next month's DT/DV should include the missing SF 215s. If it does not, contact the bank to verify the SF 215s were processed and to request they report the activity to Treasury.	X Reconciliation folder deposits
E3C-5	If an SF 215 is on the DT/DV Monthly Deposit Ticket/Debit Voucher Support Listing but is not reported by the agency: X Obtain a copy of the SF 215 and report the transaction on the next month's FMS 224 or FMS 1219/SF 1218 as a prior-month deposit. Also, record the SF 215 in the G/L, if necessary.	X DT/DV X SF 215 X G/L
E3C-6	If an SF 215 is listed on the DT/DV for a different amount than reported by the agency: X Obtain a copy of the SF 215. If the amount reported on the FMS 224 or FMS 1219/SF 1218 is incorrect, adjust the G/L for the difference. The adjustment will be the difference between the amount shown on the SF 215 and the original amount reported by the agency. X Report the difference on the next month's FMS 224 or FMS 1219/SF 1218.	X SF 215 X DT/DV X G/L
E3C-7	If the amount reported on the DT/DV is incorrect, contact the bank and request that the bank correct the amount in the next accounting month. Notify FMS's Over the Counter Revenue Division if the correction is not made by the bank.	X DT/DV X SF 215
E3C-8	Reconcile each SF 5515 to a negative (minus) item on the DT/DV Support Listing.	X DT/DV X SF 5515

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E3C-9	If an SF 5515 is not reported on the DT/DV: X Review the previous months' uncleared items to determine if the transaction clears a prior-month difference. If so, adjust the amount between months and mark as cleared from the prior SOD.	X SF 5515
E3C-10	If an SF 5515 is on the DT/DV but is not reported by the agency: X Obtain a copy of the SF 5515 and report it on the next month's FMS 224 or FMS 1219/SF 1218 as a prior-month debit voucher. Also, record the SF 5515 in the G/L, if necessary.	X SF 5515 X DT/DV
E3C-11	If an SF 5515 is listed on the DT/DV in a different amount than reported by the agency: X Obtain a copy of the SF 5515. If the amount reported on the FMS 224 or SF 1219/SF 1218 is incorrect, adjust the G/L as appropriate. The adjustment is the difference between the amount shown on the SF 5515 and the original amount reported by the agency.	X SF 5515 X DT/DV
E3C-12	If the amount reported on the DT/DV is incorrect: X Contact the bank and request that the bank correct the amount immediately. X Notify FMS's Over the Counter Revenue Division if the bank does not make the correction.	X SF 5515 X DT/DV
E3C-13	File unreported SF 5515s (any reported by the agency but not by Treasury) for the next month's FMS 224 or FMS 1219 reconciliation. The next month's DT/DV should include the missing SF 5515s. If it does not, contact the bank to verify that the SF 5515s were processed and to request that they report the activity to Treasury.	X Reconciliation folder debit vouchers

Exhibit 3D–How To Use Worksheet 1C: Statement of Differences for Deposits

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E3D-1	The reconciliation performed in Exhibit 3C involves SOD items. Therefore, obtain a blank copy of Worksheet 1C, Part 1: Proposed Adjustments to Resolve Statements of Differences for Deposits, and Part 2: Statement of Differences for Deposits Reconciliation. Both worksheets are provided in Appendix 1. In addition, retrieve a copy of the reconciling month's SOD.	X Worksheet 1C, Parts 1 and 2 X Proposed adjusted deposits
E3D-2	• Using Worksheet 1C, Part 1, list the documents that should be reported by the agency in the column designated "Increases." Refer to Worksheet 1C, Part 1, to determine how to record this transaction. The entries reported as increases are transactions reported by Treasury on the DT/DV and/or CA$HLINK II report but not yet reported by the agency, and/or are items for which an incorrect amount was initially reported. This amount must be increased to reflect the accurate value. Provide reconciliation explanations in the column designated for explanations. • Using Worksheet 1C, Part 1, report the items annotated above as increases in the columns designated for the "Treasury doc #" and a "Treasury amount." The "Treasury doc #" is the reference number shown on Treasury reports. The "Treasury amount" is the dollar value associated with the document. Refer to Worksheet 1C, Part 2, to determine how to record this transaction.	X DT/DV listing X CA$HLINK Report X Worksheet 1C, Parts 1 and 2 X Proposed adjustment deposits
E3D-3	• Using Worksheet 1C, Part 1, record valid deposits that Treasury did not report on the DT/DV listing and/or that were not included on the CA$HLINK II Receipt Listing but that are reported by the agency as decreases. Other decreases include transactions that require downward adjustments because they were initially recorded for erroneous amounts. Record any reconciliation explanations in the column designated for "Explanation." Refer to Worksheet 1C, Part 2, to determine how to record this transaction. Using Worksheet 1C, Part 1, record items that the agency reported but that Treasury did not report on the DT/DV and/or CA$HLINK II reports. Report these items on Worksheet 1C, Part 1, in the columns designated for "Agency Ref #" and "Agency Amount." The "Agency Ref #" is the Federal agency's source document number. The "Agency Amount" is the dollar value associated with the document. Refer to Worksheet 1C, Part 2, to determine how to record this transaction.	X Worksheet 1C, Parts 1 and 2
E3D-4	Complete Worksheet 1C, Part 2, by providing the additional information requested on the worksheet.	X Worksheet 1C, Part 2

Exhibit 3E–How To Reconcile Check Issue Audits Using FMS 5206

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
	FMS issues an FMS 5206 to NTDOs when the information Treasury receives from the FRBs on paid check amounts differs from the information reported by the agency on their check issue Level 8 tape. Therefore, a discrepancy exists when the totals reported on lines 2.10, 2.11, and 2.12 of the FMS 1219 are different from the amounts recorded in TCIS, based on agencies submissions of their check issue Level 8 tapes. **Refer to Section VII, Part 2, paragraph d.–Reconciliation of Checks Issued, for more specific information about the check issue Level 8 tape submission.**	
E3E-1	Agencies should maintain a check issue log that provides specific information about the check issue amount reported on the actual check and checks that were voided and/or canceled. For example, the log should include information about the check amount, paid check number, voided check number, canceled check number, and information about the credit received from Treasury on cancellation of the check.	X Check issue log X FMS 5206
E3E-2	Compare the information reported on the check issue log to the information reported by Treasury in TCIS. Research unmatched items to determine the cause of the discrepancy. In addition, annotate unmatched items on a reconciliation listing that includes the cumulative unreconciled amounts for the fiscal year. A cumulative listing makes it easier to identify reconciling items that clear prior-month differences. When a prior-month difference is cleared, annotate the month/year the difference cleared on the listing. In general: X If Treasury reports an FMS 5206 adjustment but the agency does not, contact FMS's Check Reconciliation Branch (CRB) if a copy of the FMS 5206 has not been received. Report the FMS 5206 on the FMS 1219 (Section I, Part A, line 2.11) and on the FMS 1220. X If FMS's Accounts Branch has issued a limited payability credit through IPAC, report the credit on FMS 1219 (Section I, Part A, line 2.12 and line 2.80) and FMS 1220. X If the limited payability credit has been issued via SF 1081, report the check issue difference on the FMS 1219 (Section I, Part A, line 2.12) and FMS 1220. Charge the same fund account shown on the SF 1081. X If void checks were reported on the DO's Level 8 tape with dollar amounts, contact FMS's CRB and request that the checks be voided in TCIS. **Note:** This must be accomplished within 12 months or the Accounts Branch will issue a limited payability. X If the agency reports an amount incorrectly on the FMS 1219, line 2.10, report the difference between the FMS 1219 and the Level 8 tape on the next month's FMS 1219, line 2.12. X If the agency reports an amount incorrectly on the Level 8 tape, contact CRB. X If Treasury has not processed a check issue Level 8 tape, contact the CRB. X If Treasury has not processed an FMS 1219, contact the agency that submits the FMS 1219.	X SF 1179 X SF 5206 X FMS 1219 X FMS 1220

4. Researching Uncleared Differences

Uncleared differences are amounts that remain unreconciled at monthend. In general, differences result from disbursement or receipt transactions that the agency has posted to the G/L and/or has not reported on the FMS 224, FMS 1219/FMS 1220 or SF 1218/SF 1221. Erroneous transactions posted by other Federal agencies to the reconciling agency's fund symbols via FMS 224/FMS 1220/SF 1221 subsequently will create a difference. Refer to Exhibit 1C for directives on how to reconcile differences reported by other Federal agencies. The fund balance also will be out of balance with Treasury if transactions are recorded to the incorrect fund account symbol either in the USSGL or monthly reports submitted to Treasury.

Exhibit 4A—How To Research Uncleared Differences

EXHIBIT-STEP	ACTION	REQUIRED DOCUMENTS
E4A-1	Review the remaining uncleared differences from the previous months and current month to eliminate and clear offsetting items.	X Worksheet 1A X Worksheet 1B, Part 2, and Worksheet 1C, Part 2
E4A-2	The total uncleared FBWT difference should be shown in the "Accumulative Difference" column on Worksheet 1A. The total receipt or disbursement differences are shown on the SOD reconciliation worksheets found in Appendix 1 [1B (Part 2) and 1C (Part 2)].	X Worksheet 1A
E4A-3	Review adjustments proposed from Worksheet 1A (see Exhibits 1A and 1B) in Appendix 1.	X Worksheet 1A
E4A-4	For any remaining differences, begin research efforts to identify/clear these differences in the next reporting period.	X Worksheet 1A

VIII. General Information:

A. Most Commonly Made Errors

Federal agencies can make several mistakes internally that lead to a difference in reporting between the agency and Treasury. These mistakes, when identified, must be appropriately resolved. Some of the more common errors in fund balance reporting include:

- Reporting disbursement and/or receipt transactions to the incorrect receipt, expenditure, or suspense account in the USSGL.
- Reporting disbursement and/or receipt transactions to the incorrect receipt, expenditure, or suspense account on the FMS 224, FMS 1220, or SF 1221.
- Recording a valid transaction in the USSGL but not reporting it on the FMS 224, FMS 1219/FMS 1220 or SF 1218/SF 1221.
- Assigning an incorrect value to a disbursement or receipt transaction in the USSGL.
- Assigning an incorrect value to a disbursement or receipt transaction on the FMS 224, FMS 1219/FMS 1220 or SF 1218/SF 1221.
- Reporting the disbursement or receipt transaction in the incorrect column on the SOT (that is, a receipt is reported as a disbursement or a disbursement is reported as a receipt).
- Not recording a valid transaction on the FMS 224, FMS 1219/FMS 1220 or SF 1218/SF 1221.
- Not notifying Federal agencies when they report an incorrect transaction or amount to the reconciling agency’s fund symbol and the transaction is not reversed.
- Reporting items reported for an incorrect month by the bank, RFC, or billing agency in IPAC.
- Reporting an incorrect ALC by the agency, bank, and/or RFC.
- Reporting items for an incorrect month by the agency, bank, and/or RFC.
- Finding a difference between the dollar amounts reported by the bank, RFC, IPAC, and the agency.
- Reporting a transaction to the incorrect month.
- Posting a transaction to the incorrect ALC.

B. Frequently Asked Questions/Answers

Federal agencies often contact FMS to ask specific questions about reconciling the FBWT. This section addresses the most frequently asked questions.

Question: How are FBWT differences resolved?

Answer: There are two ways differences may be resolved. They are:

(1) Additional reporting via the agency's FMS 224, FMS 1219/FMS 1220, or SF 1218/SF 1221.
(2) Adjustments to the agency's G/L.

Question: What tools are needed to reconcile the FBWT?

Answer: The basic tools used in the FBWT reconciliation process are:

(1) Source documents.
(2) USSGL account 1010 balance.
(3) FMS 6652.
(4) GWA Account Statement.
(5) Reconciliation spreadsheet.
(6) FACTS II.
(7) CA$HLINK II.
(8) GWA TDO Payments, Agency Confirmation Report, IPAC.
(9) SF 1218/SF 1221, FMS 1219/FMS 1220, and FMS 224.

Question: How is the GWA Account Statement used in the FBWT reconciliation process?

Answer: An agency uses this online tool to determine Treasury's control balance for each of its fund account symbols. It is essential that the balances contained in the user-selected queries be compared to the agency's G/L balances to determine if they agree.

Question: What actions are required to correct another agency's entry reported erroneously on your GWA Account Statement?

Answer: To correct another agency's entry, identify the name of the agency that reported the error. The name of the agency corresponds with the ALC annotated in the GWA Account Statement. In addition, request that the reporting agency reverse the entry. Finally, verify that the transaction was corrected within the next reporting period. If not, under certain circumstances, the reconciling agency may reverse the entry.

Question: How often should the FBWT be reconciled?

Answer: Agencies should reconcile the FBWT monthly. The more frequently the reconciliation is performed, the better the audit trail and the probability that transactions can be traced to the point of entry and source documents.

Question:	How are corrections made to the GWA Account Statement?
Answer:	The GWA Account Statement is adjusted via the FMS 224, FMS 1219/FMS 1220, and SF 1218/SF 1221 reports as well as JVs processed by Treasury via the STAR database. Corrections processed by Treasury are reflected on the next business day's GWA Account Statement.
Question:	What agency transactions are reported to the USSGL that impact the FBWT USSGL account 1010?
Answer:	Agency transactions reported to USSGL account 1010 that impact the FBWT include: (1) Miscellaneous receipts. (2) Accounts payable and receivable. (3) Disbursements-in-transit. (4) Advances. (5) Accrued payroll and benefits. (6) Canceled authority.
Question:	What reporting documents are used to compile the GWA Account Statement?
Answer:	The reporting documents are the FMS 224, FMS 1220/SF 1221, SF 1151, and appropriation warrants.
Question:	Is it necessary to reconcile the FMS 6652 before the GWA Account Statement?
Answer:	No. However, an integrated reconciliation of both the FMS 6652 and the fund balance are required.

C. Helpful Hints

Federal agencies should consider several points when reconciling FBWT accounts. These hints help make the reconciliation process easier. It is suggested that the hints listed below be disseminated to all persons responsible for reporting activity that affect the fund balance.

- Reconcile the FBWT USSGL account 1010 monthly.
- Do not assume Treasury control totals are accurate. However, Federal agencies must provide documented proof to dispute the amounts reported or to adjust their reports accordingly.
- SF 1179 (line 1) should equal FMS 1219 (line 2.10).
- SF 1179 (line 2b) should equal FMS1219 (line 2.12).
- SF 1179 (line 2a) should equal FMS 1219 (line 2.11).
- FMS issues an FMS 6652 for disbursements when Treasury control totals do not equal the FMS 224 (Section II, line 1) or FMS 1219 (Section I, Part A, line 2.80).
- FMS issues an FMS 6652 for deposits when Treasury control totals do not equal FMS 224 (Section III, line 3).
- Post all transactions reported on the FMS 224, SF 1218/SF 1221, and FMS 1219/FMS 1220 to the USSGL.
- An agency can submit a supplemental FMS 224 to adjust the original report transmitted to Treasury. The supplemental is due by the sixth workday.
- An agency can submit a supplemental FMS 1219/FMS 1220 to adjust the original reports transmitted to Treasury. The supplemental is due by the sixth workday.

- Report prior-month adjustments on the FMS 224 (Section II, line 1) or FMS 1219 (Section I, Part A, line 2.80).
- Report prior-month adjustments for deposits on the FMS 224 (Section III, line 3) or FMS 1219 (Section I, Part A, line 4.20).
- Support adjustments to the G/L with valid documentation.
- Notify Federal agencies and other sources that report activity affecting the reconciling agencies' ALC to adjust discrepancies in their reporting by the next reporting period. If this is not accomplished, agencies should notify Treasury.
- Research differences.
- Properly document adjustments.
- Use the DT/DV listing generated from GOALS II to reconcile deposit activity. Agencies also can use the CA$HLINK II query to reconcile deposits. Note: Treasury can transfer deposit differences of $50 or less that have aged 6 months to a small difference account upon agency approval.
- Use the ACR reports and the Monthly Register of Transactions, and the IPAC reports to reconcile disbursement and IPAC transactions, respectively. The ACR report is available in the GWA TDO Payments utility. The IPAC listing is available from GOALS II.
- Reconcile the SOD and check issue audit report monthly.
- Federal agencies' financial systems should produce subsidiary reports that disclose monthly disbursement and receipt activity. If possible, these systems should separate data by transaction type (credit card, lockbox, FRB, and SF 1166). If automated reports are not available, Federal agencies should maintain a control log of this information.
- FMS's CAB can assist agencies with SODs and check issue audit reconciliation. CAB can be reached on 202-874-7980.
- CAB, if necessary, can adjust CA$HLINK II for errors related to the voucher ALC.
- FMS's Education Branch can train, on a reimbursable basis, Federal agencies to reconcile the FBWT or reconcile their fund balance. Contact the Education Branch at 202-874-9613.

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Sample Reconciliation Worksheets

The sample reconciliation worksheets correspond with those worksheets discussed in the exhibits. The worksheets are compatible with the FBWT reconciliation procedures. They assist with the reconciliation efforts specified below. Federal agencies may use their discretion to develop new worksheets or modify the sample worksheets to better accommodate their organization. In addition, agencies should save these worksheets and make them available to inspectors general (IGs) and GAO auditors during audits.

- **Worksheet 1A:** GWA Account Statement and USSGL Reconciliation
- **Worksheet 1B:**
  Part 1: Proposed Adjustment To Resolve the Statement of Differences for Disbursements
  Part 2: Statement of Differences for Disbursements Reconciliation
- **Worksheet 1C:**
  Part 1: Proposed Adjustment To Resolve the Statement of Differences for Deposits
  Part 2: Statement of Differences for Deposit Reconciliation

Each worksheet requires unique information. The data required to complete the worksheets is summarized following each reconciliation worksheet. The reconciliation procedures also specify what information should be reported in each field within the worksheets.

The sample worksheets also have recorded data. The sample data shows how to complete the worksheets. The corresponding exhibit and step number for which the data is applicable is shown on the worksheets as (Exhibit #CStep#).

Worksheet 1A:
GWA Account Statement and USSGL Reconciliation

Explanation:

- "Month Reported" is the accounting month (mm/yy) the transaction is reported on the SOTs/SOAs and the USSGL. Each line item should compare data for the same accounting month.
- "Document No." reports the source document numbers of reconciling items that increase or decrease the original balances reported.
- "Month Cleared" represents the accounting month (mm/yy) that the discrepancy was adjusted.
- "Account Statement" captures the monthly amount disclosed on the report.
- "General Ledger" should capture the amount reported.
- "Net Difference" is the GWA Account Statement (column D) amount less the amount reported in the USSGL (column E).
- "Cumulative Difference" is the previous cumulative difference amount plus the current row's net difference amount.

Worksheet 1A:
Agency Name: GWA Account Statement and USSGL Reconciliation

From 00/00 through 00/00

Fund Account Symbol

(A) Month Reported	(B) Document No.	(C) Month Cleared	(D) Account Statement	(E) General Ledger	(F) Net Difference	(G) Cumulative Difference
	Bal. Forward 10/1/98		(E1A-2) $8,000.00	(E1A -3)$6,000.00	$ 2,000.00	$ 2,000.00
10/98	326541	12/98	(E1B-2) 30.00		30.00	2,030.00
10/98	190008			(E1B-3) 470.19	(470.19)	1,559.81
11/98	432R92			(E1B-4) (33.00)	33.00	1,592.81
12/98	326541		(E1B-5) (30.00)		(30.00)	1,562.81
01/99	WARR			(E1C-1) 1,000.00	(1,000.00)	562.81
02/99	1151X2		(E1C-2) (200.00)		(200.00)	362.81
03/99	USERF			(E1C-3) $360.00	(360.00)	2.81
04/99	TSP		(E1C-4) $526.51		($526.51)	$529.32

Worksheet 1B, Part 1:
Proposed Adjustments To Resolve the
Statement of Differences for Disbursements

Explanation:

- "Accounting Month" is the month the activity is reported by Treasury or the reconciling agency.
- "Document" is the source document number of the reconciling item that will increase or decrease the total disbursements of the ALC for the audit month.
- "Increases" are transactions reported by Treasury that were not reported by the agency. Increases also may include an adjustment to a transaction initially recorded for the incorrect value.
- "Decreases" are transactions reported by the agency that were not reported by Treasury. Decreases also may include adjustments to transactions initially recorded for the incorrect value.
- "Explanation" is a brief narrative that discloses the cause of the discrepancy.

Worksheet 1B, Part 1:
Proposed Adjustments To Resolve the Statement of Differences for Disbursements

ALC Number

	Accounting Month	Document	Increases	Decreases	Explanation
1	7/98	11468 32142 11986 (E3B-2)	$2,200 900 1,500 $4,600		Agency did not report on FMS 224, FMS 1219/FMS 1220 or SF 1218/SF 1221.
2	7/98	118396 (E3B-3)		$100	Treasury erroneously reported to another ALC.

Explanation

Worksheet 1B, Part 2:
Statement of Differences for Disbursements Reconciliation

Explanation:

- “Treasury Doc #” is the source document number specified by Treasury on the agency confirmation report or monthly register of transactions, IPAC transactions. The document numbers reported in this field consist of those indicated on the Proposed Adjustment to Resolve SOD for Disbursements (Part 1). These are documents reported by Treasury that were not reported by the agency.
- “Treasury Amount” is the dollar value of documents reported by Treasury that were not reported by the agency.
- “Date Cleared” is the month and year the reconciling item is resolved.
- “Agency Ref #” is the source document number specified by the reconciling agency in its support documents for the FMS 224/FMS 1219 and SF 1218. In addition, this field consists of documents reported by the agency that were not reported by Treasury. These are usually items reported as decreases in the Disbursements Reconciliation (Part 1).
- “Agency Amount” is the dollar value of documents reported by the reconciling agency that were not reported by Treasury. These usually are amounts associated with documents that are decreased in the SOD for Disbursements Reconciliation (Part 1).
- “Account Statement 6652 difference” is the difference between what the agency reported on the FMS 224, FMS 1219, or SF 1218 and control totals maintained by Treasury.
- “Agency items” is the total of the ”Agency amount” column.
- “Treasury items” is the total of the “Treasury amount” column.
- “Worksheet difference” is the net of the “Treasury amount” column and the “agency amount” column.
- “Unreconciled amount” represents any difference that still needs to be identified and reconciled to Treasury’s control total.

Worksheet 1B, Part 2:
Statement of Differences for Disbursements Reconciliation

Month, Year
ALC Number

TREASURY DOC #	TREASURY AMOUNT Agency Unreported	DATE CLEARED	AGENCY REF #	AGENCY AMOUNT Treasury Unreported	DATE CLEARED
(E3B-2) 11468	$2,200	8/98			
(E3B-2) 32142	900	8/98			
(E3B-2) 11986	1,500	8/98			
			(E3B-3) 118396	$100.00	8/98
TOTAL	$4,600			$100.00	

Agency reported on FMS 224, FMS 1219 or SF 1218	$8,600	
LESS: Treasury unreported items	100	
ADD: Agency unreported items	4,600	
Treasury balance per FMS 6652 (agency control accounts maintained by Treasury)	$13,100	

MONTH, YEAR SOD RECONCILIATION RECAP	
Account Statement 6652 difference	$4,500
Agency items	(100)
Treasury items	4,600
Worksheet difference	4,500
Unreconciled amount	$0

Prepared by: __________________________ Approved by: ________________________

Date: _________________________________ Date: ________________________________

Worksheet 1C, Part 1:
Proposed Adjustments To Resolve the Statement of Differences for Deposits

Explanation:

- "Accounting Month" is the month the activity is reported by Treasury or the reconciling agency.
- "Document" is the source document number of the reconciling item that will increase or decrease the total deposits of the ALC for the audit month.
- "Increases" are transactions reported by Treasury that were not reported by the agency. Increases also may be adjustments to transactions initially recorded for the incorrect values.
- "Decreases" are transactions reported by the agency that were not reported by Treasury. Decreases also may include adjustments to transactions initially recorded for the incorrect values.
- "Explanation" is a brief narrative that discloses the cause of the discrepancy.

Worksheet 1C, Part 1:
Proposed Adjustments To Resolve the Statement of Differences for Deposits

ALC Number

	Accounting Month	Document	Increases	Decreases	Explanation
1	7/98	635794 655410 656626 665134 (E3D-2)	$1,000.00 223,118.14 221,115.22 9,476.59 $454,709.95		Agency did not report on the FMS 224.
2	7/98	664888 (E3D-3)		$6,938.91	Agency erroneously reported on FMS 224.

Worksheet 1C, Part 2:
Statement of Differences for Deposits Reconciliation

Explanation:

- "Treasury Doc #" is the source document number specified by Treasury on the Deposit Ticket/Debit Voucher Support Listing or CA$HLINK II report. The document numbers reported in this field consist of those indicated on the Proposed Adjustment to Resolve SOD for Deposits (Part 1). These are documents reported by the banks to Treasury that were not reported by the agency.

- "Treasury Amount" is the dollar value of documents reported by the banks to Treasury that were not reported by the agency. These are usually amounts associated with documents that are increased in the SOD for Deposits Reconciliation (Part 1).

- "Date Cleared" is the month and year the reconciling item is resolved.

- "Agency Ref #" is the source document number specified by the reconciling agency in its supporting documents for the FMS 224/FMS 1219 and SF 1218. In addition, this field consists of documents reported by the agency that were not reported by the banks to Treasury. These are usually items reported as decreases in the SOD for Deposits Reconciliation (Part 1).

- "Agency Amount" is the dollar value of documents reported by the reconciling agency that were not reported by the banks to Treasury. These are usually amounts associated with documents that are decreased in the SOD for Deposits Reconciliation (Part 1).

- "FMS 6652 difference" is the difference between what the agency reported on the FMS 224, FMS 1219, or SF 1218 and Treasury control totals maintained by Treasury.

- "Agency items" is the total of the "Agency Amount" column.

- "Treasury items" is the total of the "Treasury Amount" column.

- "Worksheet difference" is the net of the "Treasury Amount" column and the "Agency Amount" column.

- "Unreconciled amount" represents any difference that still needs to be identified and reconciled to Treasury's control total.

Worksheet 1C, Part 2:
Statement of Differences for Deposits Reconciliation

Month, Year ALC Number					
TREASURY DOC #	TREASURY AMOUNT Agency Unreported	DATE CLEARED	AGENCY REF #	AGENCY AMOUNT Treasury Unreported	DATE CLEARED
(E3D-2) 637847	$1,000.00	8/98			
(E3D-2) 655496	223,118.14	8/98			
(E3D-2) 643999	221,115.22	8/98			
(E3D-2) 632338	9,476.59	8/98			
			(E3D-3) 664888	$(6,938.91)	8/98
TOTAL	$454,709.95			$6,938.91	
Agency reported on FMS 224, FMS 1219, SF 1218 per FMS 6652				$8,519.71	
LESS: Treasury unreported items				6,938.91	
ADD: Agency unreported items				454,709.95	
Treasury balance per FMS 6652 (agency control accounts maintained by Treasury)				$456,290.75	

MONTH, YEAR RECONCILIATION RECAP	
FMS 6652 difference	$447,771.04
Agency items	(6,938.91)
Treasury items	454,709.95
Worksheet difference	447,771.04
Unreconciled amount	$0

Prepared by: ______________________ Approved by: ______________________

Date: ______________________ Date: ______________________

Transaction Codes

Below is a summary of transaction codes that may appear on the GWA Account Statement. Transaction codes are shown when the GWA Account Statement user selects a “Transaction View Detail” query. The transaction code is a two-digit number that identifies a financial event.

Transaction Code/Financial Event	
10	Appropriation warrant
13	Transfer between current-year appropriation accounts
14	Reappropriation
16	Receipts for budget suspense accounts (F accounts)
17	Available receipts
18	Writeoff of available receipts
30	Surplus warrant (available for restoration)
31	Surplus subsequently reappropriated
34	Transfer of unobligated balance from expired accounts
35	Repayment of capital investment or payment of dividend earnings
51	Unavailable receipts
55	Receipt of capital transfer
61	Disbursements
71	Repayments
83	Transfer from open account
93	Transfer to open account

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Journal Voucher

Use a JV to document an adjustment to the USSGL. For audit purposes, the JV provides evidence that supports the transaction. In addition, it is an adequate reconciliation tool. The JV shown below indicates the minimum information that should be included on the JV.

JOURNAL VOUCHER **(JV #________)**		
SGL Account	**Debit Entry $**	**Credit Entry $**
Total		

JV # ___________Continued

Description:____
____
____
____

Date:______________________
Prepared by:______________________________
Approved by:______________________________

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Sample Reconciliation Correspondence

Provide completed reconciliation worksheets to an official authorized to review and approve the activity annotated on the worksheets. Attach a memorandum that summarizes the results of the reconciliation. The reconciling agencies also should submit letters to other Federal agencies when they have discrepancies with their reporting. In this section, sample correspondence is provided for the following:

Sample Memo

1. GWA Account Statement: Monthly Fund Balance Reconciliation

Sample Letter

1. Discrepancy With Amount Reported to Treasury by Other Federal Agency on the Statement of Transactions
2. Request for Documentation that Supports Transaction Reported to Treasury by Other Federal Agency on the Statement of Transactions

Agencies should make copies of these letters and save them as part of their reconciliation documentation. They may use these letters to demonstrate reconciliation efforts to internal IGs and GAO auditors.

Sample Memo 1

Memorandum

Date: Current date reconciliation is completed

To: Name of approving official
Position title

From: Name of reconciling official
Position title

Subject: GWA Account Statement: Monthly Fund Balance Reconciliation (specify fund account symbol)

The Fund Balance With Treasury (FBWT) reconciliation for (indicate fund account symbol) is attached for your review and approval. The reconciliation is from (indicate month/year reconciliation began) through (indicate the current month/year reconciliation is completed). The (indicate name of organization) is current in its efforts to reconcile to Treasury records. **If the organization is not reconciling the most recent accounting month, write instead**: The organization is (indicate months behind) behind in its effort to reconcile to Treasury records.

In compliance with Treasury's FBWT reconciliation policy, the (indicate name of organization) G/L fund balance was compared with the Treasury control total disclosed on the GWA Account Statement: Undisbursed Appropriation Account Ledger. Based on the review, the USSGL account 1010 agrees with Treasury's year-to-date closing balance. **If the account is not reconciled to date, indicate instead the following:** Based on the review, the unreconciled difference totals (indicate amount of cumulative difference year-to-date). This difference is because of (indicate reason for difference(s)). The initiatives that have been taken to resolve this difference(s) include (indicate specific efforts taken). This matter should be resolved within (indicate days in terms of accounting month/year. For example, the subsequent accounting month is 30 days).

When you have verified the data presented on the GWA Account Statement/General Ledger Reconciliation Worksheet, please initial and date the worksheet. Should you have any questions about this matter, please contact (indicate name of reconciling official) on (indicate reconciling official's telephone number).

Sample Letter 1

Discrepancy With Amount Reported to Treasury by Other Federal Agency on the Statement of Transactions

Current date

Name of Federal agency to which letter will be sent
Address of Federal agency to which letter will be sent

Dear (name of person to whom letter is directed)

We have verified the balances reported on the Department of the Treasury's GWA Account Statement for fund account symbol (indicate fund account symbol) for the month ended (enter the month and year). During this review, we determined that the (indicate name of agency) agency location code (indicate location code number reported on the Account Statement) reported an incorrect amount of (indicate transaction amount) to our fund account symbol. This error has caused our fund balance records to disagree with Treasury's closing balance.

We do not want this difference to carry over into subsequent accounting months and would like this matter resolved quickly. We will contact Treasury's Financial Management Service to inform them of this error. However, it is extremely important that your organization reverse this entry on your next Statement of Transactions report.

Your prompt attention to this matter is greatly appreciated. Should you have any questions, please feel free to contact (name of reconciling agency's contact) on (reconciling agency's contact telephone number). You also may email (name of reconciling agency's contact) at (enter complete email address).

Sincerely,

Name of approving official
Title of approving official

Sample Letter 2

Request for Documentation that Supports Transaction Reported to Treasury by Other Federal Agency on the Statement of Transactions

Current date

Name of Federal agency to which letter will be sent
Address of Federal agency to which letter will be sent

Dear (name of person to whom letter is directed)

We have verified the balances reported on the Department of the Treasury's GWA Account Statement for fund account symbol (indicate fund account symbol) for the month ended (enter the month and year). During this review, we noticed that the (indicate name of agency) agency location code (indicate location code number reported on the GWA Account Statement) reported document number (indicate document number) in the amount of (indicate transaction amount) to our fund account symbol. We realize that this is a valid transaction but have not yet received any documentation to support this entry. The lack of support documentation has prevented us from recording this activity into our G/L and has caused our fund balance records to disagree with Treasury's closing balance.

We do not want this difference to carry over into subsequent accounting months and would like this matter resolved quickly. It is extremely important that our organization records this transaction by the end of the upcoming reporting period. Please send documentation that adequately supports this transaction indicating the department, organization, and mailing address. (Also, if the document(s) can be faxed or sent via email, include a fax number and/or email address.)

We will anticipate receipt of the support documentation within the next few days. Notify us if you cannot provide this information before the close of the accounting month. Please direct comments or questions concerning this matter to (indicate contact at reconciling agency) at (indicate contact's telephone number). Documentation may also be sent as an email attachment (contact's email addresses) or by fax (contact's fax number).

Sincerely,

Name of approving official

References

Agencies can use the resources listed below to obtain information on how to further strengthen management controls, improve financial management, enhance agency systems, and prepare reports that capture fund balance activity. The Office of Management and Budget, Treasury, the Government Accountability Office, and other regulatory agencies disseminate these publications.

- Chief Financial Officers Act of 1990
- Federal Managers' Financial Integrity Act
- FMS 2108 Yearend Closing Statement GOALS Users Manual
- Government Management Reform Act of 1994
- Joint Financial Management Improvement Program, Core Financial System Requirements
- OMB Circular No. A-11, Preparation, Submission, and Execution of the Budget
- OMB Circular No. A-123, Management's Responsibility for Internal Control
- OMB Circular No. A-127, Financial Management Systems
- Intra-governmental Payment and Collection, GOALS Users Guide
- Statement of Differences, GOALS II Users Manual
- TFM Volume I, Part 2, Chapter 3100, Instructions for Disbursing Officers' Reports
- TFM Volume I, Part 2, Chapter 3300, Statement of Transactions (FMS 224) Reporting by Agencies for Which the Treasury Disburses
- TFM Transmittal Letter No. S2 U.S. Government Standard General Ledger (FACTS II)
- TFM Volume I, Bulletin No. 2011-06, Reporting Suspense Account Activity using F3875 and F3885 and using Accounts F3500 and F3502 as a GWA Reporter.

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Contacts

FMS Area	Responsibility
Budget Reports Division Arlene Johnson, Director 202-874-9880 Email: **Arlene.Johnson@fms.treas.gov**	< Appropriation warrants < SF 1151 < Establish fund/account symbols < FMS 224/FMS 1220/SF 1221 < SF 1218/FMS 1219
U.S. Standard General Ledger Advisory Division Katherine Winchester, Director 202-874-6308 Email: Katherine**.Winchester@fms.treas.gov**	< Maintain U.S. Government Standard General Ledger < TFM Supplement 2, USSGL chart of accounts, account definitions, and crosswalks
Cash Analysis Branch Crystal Madison, Manager 202-874-7752 Email: Crystal.Madison**@fms.treas.gov**	< FMS 6652 < Check issue audit < GWA Account Statement < CA$HLINK II adjustments
Accounts Branch Cathie Blewitt, Manager 202-874-9779 Email: **Cathie.Blewitt@fms.treas.gov**	< Process claims against the Check Forgery Fund < Administrator for transfer of reclamation, declination, limited payability credits, and charges to Federal Program Agencies < Process accounting reports for check claims < Resolve accounting problems related to check claim processing < Process check storage/retrieval charges < Check claims, IPAC, and statement of difference issues
Check Reconciliation Branch Brent Weaver, Manager 202-874-8150 Email: Brent.Weaver@**fms.treas.gov**	< Reconcile Treasury check paid data from FRBs with issue data from DOs. < FMS 5206: Issue Adjustments < FMS 5209: Paid Adjustments < Follow up on delinquent check issue reporting to TCIS < Maintain four-digit ALCs
Check Claims Branch Dawn Johns, Manager 202-874-8445 Email: **Dawn.Johns@fms.treas.gov**	< Check claims process < Requirements to submit a claim < Provide information on requests for copies of Government checks
Accounting Data Management Division Tamara Whitaker, Director 202-874-6900 Email: **Tamara.Whitaker@fms.treas.gov**	< CA$HLINK II

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Glossary of Terms

Accounting Date—The date a transaction is recorded.

Adjustment—An accounting entry that corrects or modifies a previously entered deposit or disbursement transaction; an adjustment based on research by the agency.

**CA$HLINK II—**Worldwide deposit reporting and cash concentration system. Users can obtain deposit information daily using the CA$HLINK II report.

Collections—Amounts received by the Federal Government during the fiscal year. Collections are classified into governmental receipts and offsetting collections.

Consolidated Working Capital Fund—Advances received by an agency for performing work or providing supplies and materials to another agency per an agreement between the two agencies.

Debit Voucher (SF 5515)—Reduces a deposit ticket for the Agency Location Code (ALC) when checks are lost, returned, unpaid, or issued to reduce the original deposit ticket.

Deposit Fund—Used to account for receipts temporarily held in suspense and later refunded, transferred, or paid to some other fund of the Government; and/or receipts held by the Government as the agent or banker for others and paid out as requested by the owners.

Statement of Differences (SOD) for Deposits—The SOD for Deposits reflects the amount of discrepancy between the monthly totals submitted through the banking system and the totals provided by the agency on the FMS 224 (Section III, line 3) or FMS 1219 (Section I, Part A, line 4.20).

Disbursements—Amounts paid out by Federal agencies during the fiscal year. This term is used interchangeably with the term "outlay."

Statement of Differences (SOD) for Disbursements—Represents differences between the total of disbursements reported by the RFCs or through IPAC and totals an agency reports on the FMS 224 (Section II, line 1) or FMS 1219 (line 2.80).

Disbursing Officer (DO)—A person appointed by an agency to disburse funds on behalf of Treasury. The DO is personally liable for agency funds as reported on the FMS 1219.

Electronic Certification System—An automated system that allows agencies to transmit payment requests to a Regional Finance Center.

Federal Reserve Bank (FRB)—A federally designated bank for processing check-issue information transmitted to Treasury. In certain cases, the agency may use the FRB to make cash and/or check deposits.

Financial Management Service (FMS)—The Treasury bureau with the mission to promote sound financial management practices in the Federal Government.

Fiscal Year—The annual accounting period used by the Federal Government. The fiscal year begins October 1 and ends September 30 of the subsequent year.

General Funds—Represent revenues not earmarked by law for specific purposes. General funds are available for expenditure only upon congressional appropriation or other authorization to spend general revenues.

Government On-Line Accounting Link System (GOALS) II—The Governmentwide network that provides automated financial reporting directly to FMS and the Office of Management and Budget and provides agencies with reports on receipt and disbursement activity and Fund Balance With Treasury transactions.

Intra-governmental Payment and Collection (IPAC) System—The system that represents interagency billings and payments for supplies and services.

Revolving Funds—Established to finance a continuing cycle of specific operations.

Special Funds—Funds that consist of revenues earmarked by law for a specific purpose.

U.S. Government Standard General Ledger (USSGL)—The set of procedural rules and uniform chart of accounts used by agencies to record budgetary and proprietary accounting transactions.

USSGL Account—An account within the uniform chart of accounts used by Federal agencies to record budgetary and proprietary accounting transactions.

STAR—The FMS central accounting system that maintains data related to Federal collections and disbursements.

Transaction Log—An internal tracking record that summarizes monthly disbursement and/or receipt transactions. Agencies use the log as a tool to research differences. Each Federal agency uses its discretion about what information is reported in the log. The log should capture pertinent data about disbursement and/or receipt activity. For example, detailed data includes payee name/amount, voucher or check number, transaction date, and ALC.

Treasury Control Totals—Balances that Treasury maintains for each agency. Deposit control totals are derived from CA$HLINK II. Disbursement control totals are derived from RFCs and IPAC transactions.

Treasury Financial Manual (TFM)—The FMS publication of Treasury reporting policies and procedures.

Treasury General Account (TGA)—Account balances kept by the U.S. Government in banks.

Treasury Regional Financial Centers—FMS's centers that issue payments and process cancellation documents for Federal civilian agencies.

Trust Funds—Established to account for resources held in trust for specific programs or purposes.